

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, Joseph T. Kelliher,
and Suedeene G. Kelly.

PJM Interconnection, L.L.C. Midwest Independent Transmission System Operator, Inc.	Docket Nos. ER04-375-012, -013, -014, -015, and -016
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PJM Interconnection, L.L.C. Midwest Independent Transmission System Operator, Inc.	Docket Nos. ER04-521-008, -009, -010, -011, and -012
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PJM Interconnection, L.L.C. Commonwealth Edison Company	Docket Nos. ER04-718-000, -008, -009, -011, -013, and -014
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Commonwealth Edison Company	Docket Nos. ER04-364-001, 003, -004, -005, -006, and -007
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ORDER APPROVING UNCONTESTED SETTLEMENTS AND
DISMISSING REHEARING REQUESTS

(Issued January 12, 2005)

1. Between October 25 and November 2, 2004, Exelon Corporation (Exelon), parent company of Commonwealth Edison Company and Commonwealth Edison Company of Indiana, Inc. (together, ComEd) made several filings of Stipulations and Agreements (Settlements) between ComEd and the Michigan and Wisconsin utilities identified in Appendix A (Utilities), in the proceedings listed in Appendix A.¹

¹ On September 15, 2004, Exelon filed a similar settlement between ComEd and International Transmission Company, which the Commission approved on November 26, 2004. *PJM Interconnection, L.L.C. and Midwest Independent Transmission System Operator, Inc.*, 109 FERC ¶ 61,228 (2004).

2. These Settlements, with their financial compensation, would resolve all issues between ComEd and Utilities relating to ComEd's obligation to hold Utilities harmless from the impacts of loop flows and congestion resulting from ComEd's choice to join PJM Interconnection, L.L.C. (PJM) instead of the Midwest Independent Transmission System Operator, Inc.² No entity made any filing concerning any of the Settlements. Between December 13 and 30, 2004, the Presiding Judge certified the Settlements to the Commission for its approval.³

3. These Settlements are in the public interest and are hereby approved. The Commission's acceptance of these Settlements does not constitute approval of, or precedent regarding, any principle or issue in these proceedings. The Commission retains the right to investigate the rates, terms, and conditions of the Settlements under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

4. Like the earlier settlement with International Transmission Company,⁴ each Settlement provides in section II (Scope of Settlement) that the signatories settle and resolve between them all issues involving hold harmless compensation that were raised or could have been raised in the listed dockets and their related sub-dockets. Each Settlement provides further that it does not address issues relating to the hold harmless obligation of AEP.⁵ With our approval of these Settlements, ComEd will have resolved, in the listed dockets and sub-dockets, all issues concerning its financial hold harmless obligation.

² See, e.g., *Commonwealth Edison Company and American Electric Power Service Corp.*, 106 FERC ¶ 61,250 at P 2-10 (2004) (Rejection Order). This order rejected the December 31, 2003 hold harmless proposal, submitted jointly by ComEd and by American Electric Service Power Corporation (AEP), which similarly is obliged to pay hold harmless compensation resulting from its choice to join PJM. Numerous parties sought rehearing or clarification of the Rejection Order (Docket No. ER04-364-001).

³ The Presiding Judge limited his certifications to the proceedings before him, *i.e.*, those deriving from Docket Nos. ER04-375-000, ER04-521-000, and ER04-718-000. However, he recognized that the Settlements included also the proceedings deriving from Docket No. ER04-364-000.

⁴ See note 1, *supra*.

⁵ AEP's hold harmless obligation is currently the subject of the hearing being conducted in Docket Nos. ER04-1072-000 and EL04-138-001. Our acceptance of the Settlements does not affect these proceedings.

5. Therefore, we will dismiss all issues relating to ComEd that were raised in requests for rehearing or clarification of the Rejection Order.⁶ In addition, this order terminates Docket No. ER04-718-000 and the docket numbers listed in Appendix A.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.

⁶ *See* note 2, *supra*.

Appendix A

December 13, 2004

Presiding Judge Certification in Docket Nos. ER04-375-012, ER04-521-008, ER04-718-009, and ER04-364-003 of the October 25, 2004 Settlement filing of:

DTE Energy Company
Detroit Edison Company

December 14, 2004

Presiding Judge Certification in Docket Nos. ER04-375-013, ER04-521-009, ER04-718-008, and ER04-364-004 of the October 25, 2004 Settlement filing of:

Michigan Electric Transmission Company, LLC
Consumers Energy Company
Wolverine Power Supply Cooperative, Inc.
Michigan Public Power Agency
Michigan South Central Power Agency

December 15, 2004

Presiding Judge Certification in Docket Nos. ER04-375-014, ER04-521-010, ER04-718-011, and ER04-364-005 of the November 1, 2004 Settlement filing of ComEd and:

City of Wyandotte, Michigan

December 22, 2004

Presiding Judge Certification in Docket Nos. ER04-375-015, ER04-521-011, ER04-718-013, and ER04-364-006 of the November 1, 2004 Settlement filing of ComEd and:

American Transmission Company, LLC
Dairyland Power Cooperative
Edison Sault Electric Company
Madison Gas and Electric Company
Wisconsin Electric Power Company
Upper Peninsula Power Company
Wisconsin Public Power, Inc.
Wisconsin Power & Light Company
Wisconsin Public Service Corporation

December 30, 2004

Presiding Judge Certification in Docket Nos. ER04-375-016, ER04-521-012, ER04-718-014, and ER04-364-007 of the November 2, 2004 Settlement filing of ComEd and:

City of Crosswell, Michigan
Nordic Marketing, L.L.C.
Village of Sebewaing, Michigan
Thumb Electric Cooperative, Inc.